

NOV 13 '97

11-30AM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N W  
SUITE 200  
WASHINGTON, D C

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20006-2973

OF COUNSEL  
URBAN A. LESTER

(202) 393-2266

FAX (202) 393-2156

November 13, 1997

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D C 20423

Dear Mr. Williams

Enclosed for recordation pursuant to the provisions of 49 U S C Section 11301(a) are three (3) copies of Amendment No. 2, dated as of November 1, 1997, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Residual Sharing and Security Agreement which was previously filed with the Board under Recordation Number 20360

The names and addresses of the parties to the enclosed document are

Debtor	Compass Rail II 555 California Street San Francisco, California 94104
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Secured Party	Mitsui Leasing (U S A ), Inc 200 Park Avenue New York, New York 10166
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A description of the six units of railroad equipment being deleted from, and the six units being added to, the Agreement are set forth in the Amendment

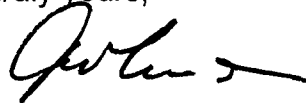
*C. County Clerk - L. Bartman*

Mr. Vernon A Williams  
November 13, 1997  
Page 2

Also enclosed is a check in the amount of \$24 00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return two stamped copies of the enclosed documents to the undersigned

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W Alvord", with a stylized flourish at the end.

Robert W Alvord

RWA/bg  
Enclosures

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY

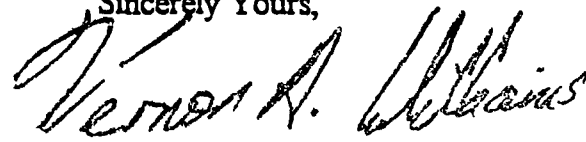
Robert W. Alvord  
Alvord And Alvord  
918 Sixteenth Street, NW. Ste. 200  
Washington, DC , 20006-2973

DATE: 11/13/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301  
and 49 CFR 1177.3 (c), on 11/13/97 at 11:30AM , and  
assigned recordation number(s). 30002, 30002-A, 16128-P, 16128-Q, 20358-C  
20359-C and 20360-B.

Sincerely Yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ 168.00 The amount indicated at the left has been received in payment of a fee in  
connection with a document filed on the date shown. This receipt is issued for the amount paid.  
In the event of an error or any questions concerning this fee, you will receive a notification after  
the Surface Transportation Board has an opportunity to examine your document.

Signature



NOV 13 '97

11-30 AM

AMENDMENT NO. 2

THIS AMENDMENT is executed and delivered as of November 1, 1996, by COMPASS RAIL II, a California corporation ("Lessor"), BANGOR & AROOSTOOK RAILROAD COMPANY, a Maine corporation ("Lessee") and MITSUI LEASING (U S A ), INC., a Delaware corporation ("Lender").

- 1 Each of the parties hereto is a party to some or all of the agreements listed in (a) through (f) below (the "Agreements") and the Amendment described in (g) below (the "Amendment"):
  - (a) Flatcar Purchase Agreement, between Lessee (as Seller) and Lessor (as Purchaser), dated as of November 8, 1996.
  - (b) Bill of Sale, from Lessee (as Seller) to Lessor (as Purchaser), dated as of November 8, 1996
  - (c) Memorandum of Railroad Equipment Lease Agreement between Lessor and Lessee, dated as of November 1, 1996, filed with the Surface Transportation Board ("STB") on November 8, 1996 under Recordation No. 20358 and filed with the Registrar General, Canada on November 8, 1996
  - (d) Equipment Mortgage from Lessor to Lender, filed with the STB on November 8, 1996, under Recordation No. 20359, and filed with the Registrar General, Canada on November 8, 1996.
  - (e) Assignment of Rents and Leases from Lessor to Lender, filed with the STB on November 8, 1996, under Recordation No. 20359-A, and filed with the Registrar General, Canada on November 8, 1996
  - (f) Memorandum of Residual Sharing and Security Agreement, between Lessor and Lender, filed with the STB on November 8, 1996, under Recordation No. 20360, and filed with the Registrar General, Canada on November 8, 1996
  - (g) Amendment dated as of November 1, 1996 and filed with the STB on September 29, 1997 under Recordation No. 20358-B, No. 20359-B and 20360-A and filed with the Registrar General, Canada on September 30, 1997
- 2 The Agreements relate to certain railroad rolling stock described on schedules or exhibits to the Agreements, as amended by Exhibit A attached to the Amendment
- 3 The parties have agreed to a substitution of six units of the rolling stock subject to the Agreements Accordingly

(a) The following six units listed on schedules to the Agreements are deleted and released.

BAR . 1156	BAR 1187
1169	1189
1182	1195


(b) The following six units are added to the schedules to the Agreements, as amended by the Amendment:

<u>Old number</u>	<u>New number</u>
BAR 1125	BAR 12006
1171	13013
1207	13028
1295	13054
1310	13058
1315	11011

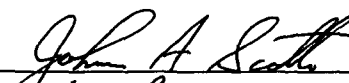
4. After giving effect to this Amendment No. 2, the equipment list attached to the Amendment as Exhibit A continues in effect as the equipment list attached as an exhibit or schedule to each Agreement and any memorandum evidencing the existence of any Agreement
5. The parties hereto agree to execute any further agreements or instruments reasonably requested by any other party in order to give effect to or further evidence the substitution of units effected by this Amendment No. 2.

IN WITNESS WHEREOF, each of the parties has caused this Amendment to be duly executed all as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.


COMPASS RAIL II

By:   
Title: President  
Date: Nov 5, 1997

BANGOR & AROOSTOOK RAILROAD COMPANY

By:   
Title: Vice President  
Date: Nov 3, 1997

mitsui LEASING (U S A ), INC

By:   
Title: President  
Date: November 6, 1997

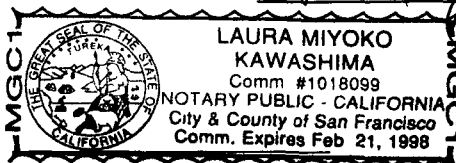
STATE OF CALIFORNIA )  
COUNTY OF SAN FRANCISCO ) SS.

On this 5TH day of NOVEMBER, 1997, before me personally appeared STEPHEN C. BIENEMAN, to me personally known who, being by me duly sworn, says that he is the \_\_\_\_\_ President of COMPASS RAIL II, a California corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Laura Miyoko Kawashima

Notary Public

(NOTARIAL SEAL)  
My Commission Expires \_\_\_\_\_



STATE OF Washington )  
COUNTY OF District of Columbia ) SS.

On this 3 day of November, 1997, before me personally appeared Tara A. Scott, to me personally known who, being by me duly sworn, says that he is the Vice President of BANGOR & AROOSTOOK RAILROAD COMPANY, a Maine corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Patricia Vail Dellonte

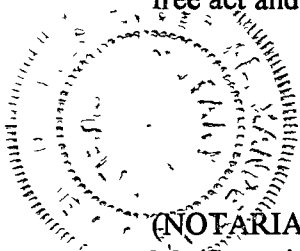
Notary Public

(NOTARIAL SEAL)  
My Commission Expires \_\_\_\_\_

PATRICIA VAIL DELLONTE  
NOTARY PUBLIC DISTRICT OF COLUMBIA  
MY COMMISSION EXPIRES  
SEPTEMBER 14, 1999

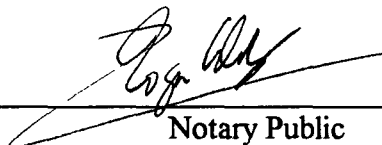
STATE OF New York )  
 ) SS:  
COUNTY OF New York )

On this 6th day of November, 1997, before me personally appeared \_\_\_\_\_  
Masato Utsuni, to me personally known who, being by me duly sworn, says  
that he is the \_\_\_\_\_ President of MITSUI LEASING (U.S.A ), INC., a Delaware  
corporation, and that said instrument was signed on behalf of said corporation by authority of its  
Board of Directors, and he acknowledged that the execution of the foregoing instrument was the  
free act and deed of said corporation.



(NOTARIAL SEAL)

My Commission Expires \_\_\_\_\_

  
Notary Public

ROGER ALEXANDER  
Notary Public, State of New York  
No. 4836710  
Qualified in Nassau County  
Certificate Filed in New York County  
Commission Expires 10/24/99.